

~~SECRET~~
Security Information

17 November 1953

25X1A2g

92-L-62/A

25X1X7

TO: AD/RR

25X1A6a

FROM: Senior Representative, [REDACTED]

25X1X7

SUBJECT: Financial Support for [REDACTED] as requested by [REDACTED]

25X1X7

25X1A9a

1. I have read [REDACTED] report on the above subject and concur in his presentation of the problem.

2. The problem has three unusual features:

25X1A1a a. We are asked to contribute a sum which is substantial
25X1A1a even though it is only 5% of the total commitment envisaged [REDACTED] without any firm operational control of the undertaking.

b. We cannot take over [REDACTED] as a going concern even if we wanted to do so.

25X1X7 c. It is very probable, though not absolutely certain, that if we do not provide these funds on the terms outlined the entire [REDACTED] program will wither away in from one to two years.

3. It appears to the undersigned that the basic substantive decision in this matter must be taken in the light of Headquarters appraisal of the overall value in Washington of [REDACTED] production in terms of: 25X1X7

a. Substantive intelligence received.

25X1X7

b. Responsiveness of [REDACTED] to limited KUBARK requirements.

25X1X7

c. Value of [REDACTED] studies as a check upon our own.

4. It is clear that the financial arrangements envisaged will involve some budgetary difficulties. It is not believed, however, that fiscal problems should be allowed to over-influence the basic decision as stated in para. 3 above.

~~CONFIDENTIAL~~ BETTS

Brig. Gen., USA

DEC 1 1953

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DOCUMENT NO. 9
NO CHANGE IN CLASS. []

DECLASSIFIED
CLASS. CHANGED TO: TS S

NEXT REVIEW DATE:

DATE: 11-15-97 REVIEWER: 37244